# **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1475
By: Duncan
Health & Human Services
4/3/2001
Committee Report (Substituted)

# **DIGEST AND PURPOSE**

Currently, the Children's Trust Fund operates as an independent agency. C.S.S.B. 1475 abolishes the Children's Trust Fund and transfers its powers and duties to the Department of Protective and Regulatory Services.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

# **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 40, Human Resources Code, by adding Subchapter D, as follows:

### SUBCHAPTER D. CHILD ABUSE AND NEGLECT PRIMARY PREVENTION PROGRAMS

Sec. 40.101. DEFINITIONS. Defines "children's trust fund," "primary prevention," "operating fund," "state agency," and "trust fund."

Sec. 40.102. CHILD ABUSE AND NEGLECT PRIMARY PREVENTION PROGRAMS.

- (a) Requires the Department of Protective and Regulatory Services (department) to operate the Children's Trust Fund to develop and establish certain plans.
  - (b) Requires the Children's Trust Fund to accommodate the department's existing rules and policies in procuring, awarding and monitoring contracts and grants.
  - (c) Authorizes the department to apply for and receive funds made available by the federal government or another public or private source for administering programs under this subchapter and for funding for child abuse and neglect prevention programs and solicit donations for child abuse and neglect prevention programs.
- Sec. 40.104. ADMINISTRATIVE AND OTHER COSTS. (a) Provides that administrative costs under this subchapter during any fiscal year may not exceed an amount equal to 50 percent of the interest credited to the trust fund during the preceding fiscal year.
  - (b) Provides that funds expended under a special project grant from a governmental source or a nongovernmental source for public education or public awareness may not be counted as administrative costs for the purposes of this section.

Sec. 40.105. CHILD ABUSE AND NEGLECT PREVENTION TRUST FUND.

- (a) Provides that the child abuse and neglect prevention trust fund is established as a trust fund in the state treasury.
  - (b) Prohibits the legislature from appropriating the money contained in the trust fund.

- (c) Authorizes the department to transfer money contained in the trust fund to the operating fund at any time. Provides that during a fiscal year the department may not transfer more than the amount deposited to the credit of the trust fund from any source, including interest and the amount credited under Section 118.022, Local Government Code, during the preceding fiscal year. Provides that money transferred to the operating fund that was originally deposited to the credit of the trust fund under Section 118.022, Local Government Code, may be used only for child abuse and neglect prevention programs.
- (d) Authorizes money in the trust fund to be invested, and requires it to be accounted for, separately from other funds in the state treasury. Requires that the investment of funds be consistent with the comptroller's authority to invest funds under Section 404.024 (Authorized Investments), Government Code. Requires that after the deduction of investment-related expenses, net income and interest earned on money in the trust fund be deposited to the credit of the trust fund.
- Sec. 40.106. DEPARTMENT OPERATING FUND. (a) Provides that the Department of Protective and Regulatory Services child abuse and neglect prevention operating fund is a special fund in the state treasury.
  - (b) Requires that administrative and other costs allowed in Section 40.104 be taken from the operating fund. Authorizes the department to transfer funds contained in the operating fund to the trust fund at any time.
  - (c) Authorizes the legislature to appropriate the money in the operating fund to carry out the provisions of this subchapter.
- Sec. 40.107. CONTRIBUTIONS. (a) Authorizes the department to solicit contributions from any appropriate source.
  - (b) Requires that any other contributions for child abuse and neglect primary prevention or other prevention and early intervention programs be deposited into a separate designated fund in the state treasury and be used for that designated purpose.
  - (c) Provides that a person may contribute funds to either the trust fund, the operating fund or a fund designated by the department for a specific child abuse and neglect primary prevention or other prevention or early intervention purpose.
  - (d) Requires that if a person designates that a contribution is intended as a donation to a specific fund, the contribution be deposited in the designated fund.
- SECTION 2. Amends Section 264.501, Family Code, to delete the definition of council.
- SECTION 3. Amends Sections 264.502 (a) and (h), Family Code, as follows:
  - (a) Deletes language regarding a person appointed by and representing the executive director of the council.
  - (h) Deletes language regarding funds appropriated to the council.
- SECTION 4. Amends Sections 264.503 (b) and (d), Family Code, as follows:
  - (b) Deletes language regarding the council.
  - (d) Requires the department, rather than the council, to promote education of the public

regarding the incidence and causes of child deaths, the public role in preventing child deaths, and specific steps the public can undertake to prevent child deaths.

SECTION 5. Amends Sections (b) and (c) 264.701, Family Code, as follows:

- (b) Requires the committee appointed by the Board of Protective and Regulatory Services to include two officers or employees, rather than an officer or employee, of the Department of Protective and Regulatory Services. Deletes language requiring one member to be an officer or employee of the Children's Trust Fund.
- (c) Makes a conforming change.

SECTION 6. Amends Section 531.001(4), Government Code, to delete Children's Trust Fund of Texas Council, from the definition of "health and human services agencies."

SECTION 7. Amends Section 118.022(b), Local Government Code, to require the comptroller to deposit the money received under this section to the credit of the child abuse and neglect prevention trust fund established under Section 40.105, rather than 74.006, Human Resources Code.

SECTION 8. Repealer: Chapter 74 (Children's Trust Fund of Texas Council), Human Resources Code.

- SECTION 9. (a) Requires that on September 1, 2001, the powers, duties, functions, programs, activities, obligations, rights, contracts, records, employees, property, funds, and appropriations of the Children's Trust Fund of Texas Council be transferred to the Department of Protective and Regulatory Services.
  - (b) Provides that a rule adopted by the Children's Trust Fund of Texas Council is a rule of the Department of Protective and Regulatory Services with regard to its management of child abuse and neglect prevention programs under Chapter 40D, Human Resources Code, as added by this Act, and remains in effect until altered or superseded by a rule of the Department of Protective and Regulatory Services.

SECTION 10. Provides that on September 1, 2001, the Children's Trust Fund of Texas Council is abolished and a reference in law to the Children's Trust Fund of Texas Council means the Department of Protective and Regulatory Services, and a reference in law to the Children's Trust Fund means the child abuse and neglect prevention trust fund.

SECTION 11. Provides that the abolition of the Children's Trust Fund of Texas Council and the transfer of its powers, duties, functions, programs, activities, obligations, rights, contracts, records, property, funds, and employees to the Department of Protective and Regulatory Services does not affect or impair an act done, any obligation, right, criterion, standard, or requirement existing, or any investigation begun under former law, and that law remains in effect for any action concerning those matters.

SECTION 12. Authorizes the department, for the biennium ending August 31, 2003, to renew funding to entities who are receiving funding in 2001 from the Children's Trust Fund of Texas Council without the need for competitive procurement.

SECTION 13. Effective date: September 1, 2001.

## **SUMMARY OF COMMITTEE CHANGES**

SECTION 1. Amends As Filed S.B. 1475 by adding PRIMARY to the proposed title of Subchapter

Amends As Filed S.B. 1475 to redefine "children's trust fund" and to add the definition of "primary prevention."

Amends As Filed S.B. 1475 to add PRIMARY to the proposed title of Section 40.102 to, CHILD ABUSE AND NEGLECT PRIMARY PREVENTION PROGRAMS.

Amends As Filed S.B. 1475, by adding requirements in Section 40.102 for the department operation of the Children's Trust Fund, and to require the Children's Trust fund to accommodate the department's existing rules and policies in procuring, awarding and monitoring contracts and grants.

Amends As Filed S.B. 1475 by making conforming chagnes.